

SOUTH DAKOTA BOARD OF EDUCATION

Meeting Minutes, March 27, 2006, Kneip Building, Pierre, South Dakota

The South Dakota Board of Education convened a regular meeting at 8:15 a.m. on Monday, March 27, 2006, in Conference Room Three at the Kneip Building in Pierre, South Dakota.

Board Members

Kelly Duncan, President; Roger Porch, Vice President; Glenna Foubert; Dick Gowen; Marilyn Hoyt; Jan Nicolay; and Clint Waara were present January 24 and 25. Jack Broome was present January 24. Barbara Everist and Marilyn Hoyt were absent.

Department of Education Staff Present

- Rick Melmer, Secretary, Office of the Secretary
- Beth Davis, Health Education Coordinator, Coordinated School Health Program, Office of Educational Services and Support
- Peg Henson, Curriculum Technology Specialist, Office of Curriculum, Technology & Assessment
- April Hodges, Education Program Specialist, Office of Educational Services and Support
- Nicole Kranzler-Gacke, Executive Assistant, South Dakota Board of Education
- Jennifer Neuhauser, Assistant Director, Office of Accreditation & Teacher Quality
- Wade Pogany, Director, Office of Curriculum and Instruction
- Brenda, Robertson, Reading Curriculum Specialist, Office of Curriculum, Technology & Assessment
- Melody Schopp, Director, Office of Accreditation & Teacher Quality
- Kari Senger, Director, Coordinated School Health, Office of Educational Services and Support
- Stephanie Weideman, Director, Office of Curriculum, Technology & Assessment

Others Present

Approximately 16 additional individuals attended all or part of the meeting. A list of those who signed the meeting register is filed in the board secretary's office.

Agenda Items

- 1) Adoption of March 27, 2006 Agenda
- 2) Adoption of January 24-25, 2006 Meeting and Public Hearing Minutes
- 3) Report on the NCLB Growth Model
- 4) Update on the Office of Indian Education
- 5) Report on Board of Regents Programs for Native American Students
- 8) Report on South Dakota Counts
- 9) Report on the Fall SAT 9 2005 Writing Results and Discussion On Dakota Step Test Security Monitoring Visits
- 24) Board and Committee Reports
- 20) Follow-up Discussion on the Elementary Foreign Language Pilot Program
- 10) Review of the 2005 South Dakota Youth Risk Behavior Survey Results
- 22) Update on the 2010 Education Initiative
- 19) Update on the Revised K-12 Social Studies Content Standards
- 11) Public Hearing - § 24:15:06:41 Grade K Through Grade 8, Grade 7 Through Grade 12, and Grade K Through Grade 12 Special Education Endorsement
- 12) Public Hearing - § 24:43:08:12 Adding Waivered Course Credits to High School Transcripts
- 13) First Reading - § 24:43:11:08 Testing Requirements
- 21) Review of 2006 Legislative Session
- 16) Report on Career and Technical Institute Budget and Reporting Form
- 15) Request for Approval of the New Tuition Rate Increase
- 25) Date and Time of Next Meeting

AGENDA ITEM 1.0 - ADOPTION OF MARCH 27, 2006 AGENDA

Motion: Motion by Gowen and second Porch to adopt the March 27, 2006 agenda.

Conclusion: The motion carried.

AGENDA ITEM 2.0 - ADOPTION OF THE JANUARY 24-25, 2006 MEETING AND PUBLIC HEARING MINUTES

Motion: Motion by Fouberg and second by Waara to adopt the January 24-25, 2006 meeting and public hearing minutes.

Conclusion: The motion carried.

AGENDA ITEM 3.0 – REPORT ON THE NCLB GROWTH MODEL

Barnett explained the NCLB Growth Model pilot program. South Dakota has applied to be a pilot state for the model, which would help South Dakota more accurately calculate adequate yearly progress.

If South Dakota is selected as a pilot state, the department will not implement the growth model until next year.

AGENDA ITEM 4.0 – UPDATE ON THE OFFICE OF INDIAN EDUCATION

BIA Memorandum of Agreement

Melmer explained the memorandum of agreement between the department and the Bureau of Indian Affairs (BIA). In accordance with the agreement, the department assembles BIA testing and accountability data. The results are returned to the BIA schools so they can be analyzed. Melmer noted that while some BIA schools have expressed concerns about the partnership with the department, many other states have signed the same type of agreements.

Indian Education Summit

Melmer noted that the dates for the Indian Education Summit were moved from the summer to the fall.

Gear Up Grant

The department plans to implement the Gear Up Grant program during summer 2006. Approximately 400 middle school students are expected to be involved in the program. Melmer noted that the department plans to expand the program and spread it further across the state each year.

Students who participate in the summer program will be paired with mentors who will check in with the students throughout the school year. Melmer explained the Gear Up Grant honors program and noted that the majority of students involved in the honors program stay in school and graduate.

Nicolay suggested that the department track students involved in the program and their needs and successes. She added that the department should ensure that information on the students is given to the students' new schools if they move from the area.

Waara asked about including non-reservation students in the program. Melmer responded that the department had already extended the program to non-reservation students west of the Missouri and was hoping to do the same for students east of the Missouri.

It was noted that every district has a Gear Up Grant contact person. Gowen suggested that the contacts serve as mentors to the students when they return to school following the summer Gear Up program.

Impact Aid

Melmer noted that Keith Moore was presently attending an Impact Aid meeting in Washington, D.C. He explained the issues being discussed at the meeting. The board requested that Moore report on Impact Aid during the next board meeting.

AGENDA ITEM 5.0 – REPORT ON BOARD OF REGENTS PROGRAMS FOR NATIVE AMERICAN STUDENTS

Cozzetto reviewed how the public universities serve Native American students.

He explained that all of the universities promote Native American student organizations and host conferences and cultural activities to promote awareness of Native American issues. Many of the schools have working relationships with the Native American colleges, hold drives to raise funds for scholarships for Native American students, and provide Native American awareness programs to high schools. He noted that all of the universities place a strong emphasis on recruiting and retaining Native American students.

Cozzetto spoke about some of the Native American student associations on the university campuses, explained the Native American studies and degrees that the universities offer, and described the positive relationships between the public universities and the Native American colleges.

Cozzetto stated that approximately 2.1% of students at the public universities self-identify as Native American and, as of 2004, nine faculty members were Native American.

Cozzetto relayed some of the Native American student program successes Montana and North Dakota are having.

Nicolay was concerned that many students may not understand or be aware of the benefits of Native American courses. Cozzetto responded that the interest in Native American studies at the universities is high and that many students pair their major with a minor in Native American studies.

Gowen noted that the relationships between the public universities and Native American colleges have improved and have been successful. He noted that the many of the schools have full partnerships.

Melmer noted that the department's and the K-12 schools' primary goal is to increase the Native American student graduation rates so that more Native American students will have the opportunity for postsecondary education.

Waara pointed out that many of the Native American students at the universities are nontraditional. The board discussed the accuracy of the number of Native American students attending the public universities.

AGENDA ITEM 8.0 - REPORT ON SOUTH DAKOTA COUNTS

Weideman explained the South Dakota Counts program initiative, which a mathematics advisory group helped develop. The program is designed to improve mathematics instruction and the sustainability of K-5 teachers. The program addresses a portion of the first goal of 2010 Education Initiative: to ensure that all third-grade students will be proficient in, or on a path to becoming proficient in, math.

The goal of South Dakota Counts is to potentially have an elementary mathematics specialist in each of the education service agencies, Rapid City, and Sioux Falls who will help teachers improve their mathematics instruction and skill levels. The program will emphasize cognitively guided instruction and will improve elementary teachers' understanding of mathematics content, pedagogy, and student learning. Teachers involved in the program will use mathematics programs already being utilized in their classroom, but the program will also grant school districts money to buy any additional teaching tools that are needed.

South Dakota Counts-summer institutes will be held at Black Hills State University. Weideman noted that the administrators of schools in which the South Dakota Counts program will be implemented will also be required to participate in a training called Lenses on Learning.

The board asked whether teachers would be able to take mathematics instruction courses from the postsecondary institutions that would apply to the South Dakota Counts program. Melmer stated that eventually the postsecondary teacher preparation programs might have to be adjusted to reflect the teaching methods of the South Dakota Counts program if the program were to continue long term. The board strongly recommended that the department begin discussing adjustments to the teacher preparation programs with the postsecondary institutions soon so the institutions would be prepared for the changes. Melmer noted that some of the responsibility for training teachers to use the South Dakota Counts methods would continue fall on the school districts because teacher preparation students do not usually know what grade they will be teaching during their schooling at the postsecondary institutes.

Melmer added that the funding for the South Dakota Counts program is less than the funding for South Dakota Reads program.

The board discussed the South Dakota Counts program.

AGENDA ITEM 9 - REPORT ON THE FALL SAT 9 2005 WRITING RESULTS AND DISCUSSION ON DAKOTA STEP TEST SECURITY MONITORING VISITS

Report on the Fall SAT 9 2005 Writing Results

Referring to the results of the SAT 9 writing exam, Weideman stated that it would be difficult to identify trends in the scores because different writing prompts are used each year and different students take the exam each year. She noted, however, that there was a greater variance in the grade five results from 2003-2005 than in the grade nine results, and added that the department was discussing the use of the exam, its purpose, and ways it might be improved. She noted that concerns have been expressed about the timing of the exam and about the fact that the exam is given only to fifth and ninth graders, which makes the data of little value to teachers and does very little to analyze the effectiveness of their teaching methods.

Weideman explained the different writing programs used throughout the state.

She stated that teachers and curriculum directors have requested that a writing exam be created and evaluated within South Dakota to replace the current SAT 9 writing exam. In addition, teachers would like access to examples of the levels of writing expected on the exam and the scoring rubrics used, neither of which are available for the SAT 9 writing exam.

Fouberg stated that the NAEP writing exam committee had been discussing the fact that many students do not know how to write well. She will present the findings of the NAEP committee to the board during the July board meeting.

Nicolay voiced concern that the SAT 9 writing exam does not identify which students are not learning or what it is that they are not learning. She noted that the exam does not assess the writing content standards and that there is no method in place to follow up on the exam results and address the needs of the students.

Weideman explained that the department offered training in the fall of 2005 to fourth, fifth, seventh, and eighth grade teachers to help them understand how students will be scored on the SAT 9 writing exam. The Training may again be offered in fall 2006.

Discussion on Dakota STEP Security Monitoring Visits

Weideman added that exam security is an increasing issue nationwide. While South Dakota has not yet experienced any security breaches, no security methods are currently in place to protect the integrity of the

Dakota STEP. To address this issue, the department will be visiting schools to talk with testing coordinators, teachers, and administrators about what they do to ensure the exams are safe and secure. The Dakota STEP Monitoring Form will be used to track the findings (see the form filed in the office of the board secretary). This will provide the department with an opportunity to address any security issues immediately. The goal of the visits is to improve the security of the Dakota STEP and provide technical assistance to the districts and schools..

Weidman explained the security guidelines school districts receive prior to proctoring the exam.

Donna DeKraai, President, South Dakota Education Association, voiced concern about the fact that home schooled students can take the SAT 10 Abbreviated test at home without district monitors. She was also concerned about accountability requirements regarding ensuring that home schooled students take the exam and ensuring that home schooled students' scores on the exam are reported. The board discussed the issues. Melmer explained the difficulties the department would have in doing such monitoring. He noted that the onus for monitoring the testing and the reporting of home schooled students' scores is on the school district; school districts are required to provide home schooled students with access to exams, must retain those students' scores, and must report those scores to the department.

AGENDA ITEM 24.0 – BOARD AND COMMITTEE REPORTS

NASBE Commission on Financial Literacy

Waara reported on the commission, which met January 7-8. The commission met to discuss financial literacy issues affecting K-12 students. Waara noted that several states now require students to take some type of financial literacy course. The commission discussed why such course requirements have been implemented and how effective the courses have been.

Waara reported that the commission discussed available financial literacy educational resources. He explained that all regulated financial institutions are required to do outreach; to meet their outreach requirements, most institutions develop their own financial literacy education resources for public use. Waara stated that the committee will be evaluating the available materials to help states and school districts determine which materials best meet their needs.

Waara added that the committee discussed, but reached no agreement on, whether an economics or a personal finance approach is better for teaching literacy. He suggested that the best choice might be a combination of both and stated that the committee would continue discussions on the issue.

Waara stated that the committee determined that the most critical issue is to ensure that every student receives financial literacy education. He added that the other main area of concern is at which grade level financial literacy courses should be required and the amount of coursework that would be enough. Waara explained that committee's goal is to produce a K-12 financial literacy policy statement that states could use as a guideline regarding what should be taught and how what is taught could be measured.

Melmer noted that the South Dakota implemented the financial literacy requirement to ensure that all students get some basic financial literacy knowledge late in their high school careers, when it is most likely to be applicable to the students.

Waara stated that the real issue is the recent shift in society from a dependence on savings to a dependence on debt. He proposed that the shift necessitates the teaching of introductory knowledge about what a bank is and what a bank does to students at an early age. Melmer noted that the department sets only content standards and requirements, but that districts must decide how the standards will be taught and how the requirements will be met.

AGENDA ITEM 20.0 – FOLLOW-UP DISCUSSION ON THE ELEMENTARY FOREIGN LANGUAGE PILOT PROGRAM

Henson reviewed the Primary Spanish Pilot Program 2005-2006 Follow-up Survey Results. She noted that 50% of the 28 schools that responded are currently using a modified version of the pilot program, that 17% are using the entire program, and that 32% are not using the program (see summary documents filed in the office of the board secretary).

Henson reviewed some of the program difficulties and recommended that if the department were to offer streaming video as a part of any future foreign language programs, that the video be developed in house.

The department met with the South Dakota World Language Association (SDWLA). Through the meeting, it was determined that the department should look into South Dakota World Language Certification and should continue professional development for certified foreign language teachers.

The SDWLA recommended that the department look into the federal foreign language grant; however, the department determined that the languages the grant focuses on are not those most relevant to the needs of South Dakota students. Therefore, the department asked the SDWLA to develop a recommended model for teaching elementary-level foreign language in South Dakota schools.

Lynda Oldenkamp, Board of Regents, who was present at the meeting with SDWLA, will take SDWLA concerns, interests, and information to the next Board of Regents advisory board meeting.

Melmer explained that elementary-level foreign language is not an issue currently on the department's agenda. He added that the majority of elementary schools in South Dakota are not ready for such a program, and noted that the department would need a significant amount of time to prepare such a program for implementation.

AGENDA ITEM 10.0 – REVIEW OF THE 2005 SOUTH DAKOTA YOUTH RISK BEHAVIOR SURVEY RESULTS

Dr. David Schubot presented and reviewed the 2005 South Dakota Youth Risk Behavior Survey Results (see the South Dakota Youth Risk Behavior Survey Report 2005 filed in the office of the board secretary). The survey assesses risky behaviors that students engage in. These behaviors contribute to the leading causes of morbidity, mortality and social problems among youth.

Melmer voiced concern about the continued high rate of alcohol use. Schubot added that the correlating low use of seatbelts magnifies the cause for concern about alcohol use since many students also indicated riding in a vehicle with an intoxicated driver. The board discussed the results of the survey regarding the use of alcohol and seatbelts and Schubot noted that the high rate of obesity is also of concern.

Schubot explained how the survey is administered at Bureau of Indian Affairs schools and how the results of the survey are shared.

Hodges stated that the high percentage of risky behaviors that students are engaging in is of concern regardless of whether the percentages have increased.

Schubot noted that only students who are in school are surveyed. Because students who are not in school are not surveyed but are likely to be engaging in risky behaviors, the actual percentages of adolescent risk behaviors are probably much higher. Melmer added that the real dilemma is how to convince students not to engage in risky behavior.

The board asked if questions could be added to the survey. Hodges explained that the YRBS committee reviews the survey every other year for relevance. She noted that the length of the exam cannot exceed 100 questions and added that if questions are changed, the resulting survey data can no longer be analyzed for

trends or compared to other states. She noted that South Dakota shares its data with CDC for comparison with other states.

Hodges explained how the department analyzes the data from the YRBS in conjunction with other survey data to get a more complete picture of risk behaviors.

AGENDA ITEM 22.0 – UPDATE ON THE 2010 EDUCATION INITIATIVE

Pogany updated the board on the progress of the 2010 Education Initiative.

Goal 1:

The department is creating surveys to determine what is currently happening with early childhood kids regarding such things as screening, the numbers of kids in preschool, and the number of kids who attend preschool prior to attending kindergarten. In addition, workgroups are being created to develop accreditation and certification standards for preschool.

Goal 2

Pogany stated that there is high interest in the Classroom Connections laptop project. Fifteen to twenty schools will be selected for the pilot program. The department is soliciting proposals from vendors for the provision of the laptops and software.

He noted that a number of schools are interested in, or will be implementing, senior projects.

Work sessions are being held to unpack content standards to develop grade-level and end-of-course exams. The math exam has been completed, the English exam is nearly completed, and the science exam is being worked on.

Pogany explained that the department is putting an advisory council together to facilitate the implementation of the virtual high school program.

The department is also applying for various grants to help implement the projects that comprise goal two.

Goal 6

The next meeting of the State Aid Task Force will be on April 17-18. The Task Force was instrumental in the passage of the school sparsity bill during the 2006 legislature session.

Melmer noted that the ideas behind the 2010 Education Initiative have been well received, but that he had also been asked why the state was spending so much time developing the initiative's programs if schools will not be required to use the programs. Melmer stated that the department is hoping the programs will be of such value that schools will opt to implement them. Pogany added that many of the projects are already in high demand.

Pogany stated that he would continue to put together monthly reports on the 2010 Education Initiative and would pass those reports on to the Board.

AGENDA ITEM 19.0 – UPDATE ON THE REVISED K-12 SOCIAL STUDIES CONTENT STANDARDS

Bob Sutton, South Dakota Community Foundation/Junior Achievement Statewide Board talked about the successes of Junior Achievement, through which students learn about and experience entrepreneurship. Sutton explained the importance of small businesses and entrepreneurship to local economies. On behalf of the business community, which feels entrepreneurship should be taught to K-12 students, he strongly urged the board to direct the social studies content standards committee to include standards on entrepreneurship in the revised social studies content standards, beginning with the early grade levels. Sutton also emphasized

the need for the inclusion of personal finance standards within all levels of the revised social studies content standards.

Kristie Fiegan, President, Junior Achievement, also spoke on behalf of the business community. She relayed the business community's strong recommendation that economics and personal finance content standards be woven into all grade levels of the revised social studies content standards so students receive a solid financial education foundation. To support this recommendation, the business community developed additional economics and personal finance content standards for the review committee to consider including in the revised social studies content standards (see documents filed in the office of the board secretary).

Fiegan added that economics course content standards should include at least one strand of personal finance to ensure that students who do not take a personal finance course receive a basic education on it. She also commended the review committee on their addition of economics standards to the revised social studies content standards for grades six, seven, and eight.

Fiegan requested that the board direct the social studies content standards revisions committee to include strong economics, entrepreneurship, and personal finance standards in the revised social studies content standards.

Neuhauser agreed that while the review committee had added more economic and personal finance content standards, many of the recommendations the business community had proposed should also be included before the final version of the social studies content standards are brought before the Board in May. She noted that the review committee would work to include the business community's suggestions in the social studies content standards as standards, enablers, and examples.

The Board and Melmer strongly recommended that the committee strongly consider each of the business community's suggestions.

AGENDA ITEM 11.0 - PUBLIC HEARING - § 24:15:06:41 GRADE K THROUGH GRADE 8, GRADE 7 THROUGH GRADE 12, AND GRADE K THROUGH GRADE 12 SPECIAL EDUCATION ENDORSEMENT

See attached.

AGENDA ITEM 12.0 - PUBLIC HEARING - § 24:43:08:12 ADDING WAIVERED COURSE CREDITS TO HIGH SCHOOL TRANSCRIPTS

See attached.

AGENDA ITEM 13.0 - FIRST READING - § 24:43:11:08 TESTING REQUIREMENTS

See attached.

AGENDA ITEM 23.0 – SECRETARY'S REPORT

AGENDA ITEM 21.0 – REVIEW OF 2006 LEGISLATIVE SESSION

Melmer stated that the department would forward its monthly reports to the Governor to the Board.

Melmer attended the pandemic flu summit in Sioux Falls.

Review of 2006 Legislative Session

Melmer reviewed the funding bills that passed during the 2006 legislative session (see 2006 Legislature Education funding for FY07 filed in the office of the board secretary). He noted that the department was still working on how to calculate the allocation of the new school sparsity funds. The board discussed the legislative fiscal allocations.

The board discussed the reasons the legislative bill that would have required students to remain in school through age 18 failed to pass. Melmer relayed that some schools were concerned about discipline becoming an issue if students who did not want to be in school were forced by law to stay in school, and that some schools felt they would not have enough funding for the students who would be affected by the law.

Virtual Schools

Duncan asked for clarification on virtual schools issues. Schopp explained what other states are doing with virtual schools. She noted that Utah has had a complete virtual school, including the issuance of diplomas, for many years. She added that Idaho is developing its virtual schools.

Schopp explained that unlike Utah or Idaho, South Dakota has the infrastructure to support a large virtual high school, has many teachers who have already been trained to teach virtual courses, and has several virtual high schools currently operating within the state. She explained that the department would like to pull the virtual schools currently operating in South Dakota under the umbrella of one large state virtual high school. As a part of this virtual school, the individual schools would continue to offer their courses but all of their courses would have similar platforms. The Virtual Schools Advisory Council will be working on the project.

Schopp stated that training for asynchronous teachers would be critical for a state virtual school to be successful. She added that some students who do not do well in traditional classrooms thrive in virtual classrooms.

Schopp explained that home schooled or Hutterite students would have to enroll in a local school district in order to enroll in virtual courses. Their local districts would serve as the students' guidance counselors and would help ensure that the students were getting the appropriate schooling through the virtual school. Schopp noted that the state would not issue high school graduation diplomas; diplomas would continue to be issued by high schools.

Schopp explained the options home schooled students have for enrolling in postsecondary education since they do not have high school graduation diplomas.

Gowen recommended that the department develop a package of guidelines for teachers of virtual courses to ensure some uniformity among all of the virtual courses. Schopp responded that the department promotes consistent software and training to ensure continuity among such courses.

AGENDA ITEM 16.0 - REPORT ON CAREER AND TECHNICAL INSTITUTE BUDGET AND REPORTING FORM

Wilson and Mayer explained the layout of the career and technical institute budgets for fiscal year 2006 (see budget sheets filed in the office of the board secretary) and noted that the department would be enhancing the budgets for more clarification before bringing them before the board during the May board meeting.

Mitchell Technical Institute

Chris Paustian, President, explained the MTI budget. He noted that some cash from the MTI reserve was used to cover 2005 expenditures. The board discussed the budget.

Paustian added that due to a decrease in funds, MTI had to freeze salaries for its employees. He stated that one cause for the decrease in funds was the declining enrollment in formerly popular programs, such as those in the computer science field. The board discussed MTI program and enrollment numbers

Paustian noted that the tuition increase being proposed in Item 15 would allow MTI to remove the freeze on employee salaries.

Western Dakota Technical Institute

Rich Gross, President, WDTI, explained the WDTI budget and the course changes and new partnerships WDTI has developed that will enhance their programs, especially welding technologies.

Gross updated the board on the successes of the funds drive WDTI's private foundation has been holding, which has earned 1.2 million in pledges. He also reviewed the status of WDTI's reserve funds.

Gross noted that the tuition increase being proposed in Item 15 would pay for a cost of living increase for WDTI staff but that a few of the programs at WDTI would still have to be put on hiatus due to funding shortages.

Lake Area Technical Institute

Deb Shepherd, Vice President, LATI, explained LATI's programs and budget and noted that the school was in the black last year. She added that unlike the other career and technical institutes, LATI has enterprise accounts from which they can draw funds.

Sheffield stated that the tuition increase being proposed in Item 15 would help LATI pay its staff.

The board requested that the career and technical institutes submit a breakdown of the program fees and costs, especially those charged to students. Additionally, LATI agreed to add FTE calculations to their budget.

Southeast Technical Institute

Jeff Holcomb, Director, SETI, explained the program and budget changes.

Holcomb stated that the tuition increase being proposed in Item 15 would help SETI meet contract requirements regarding salary packages for SETI employees. He also explained how employee salaries will be calculated during the 2007 fiscal year.

Holcomb explained how the fund balance would be used to update or redo campus buildings or equipment.

Governance

Mitch Richter reviewed the results the 2006 legislative session bills governing the career and technical institutes will have. He noted that the governance of the institutes and their buildings was a key topic of discussion during the 2006 session. The career and technical institutes plan to develop a governance proposal for discussion during the next legislative session.

Richter explained the funding difficulties the career and technical institutions are facing. He explained that the institutes are reluctant to increase tuition rates due to the high debt load their students already carry.

The Board directed Melmer to talk with the Governor about the Governor's vision for a new governance structure for the career and technical institutes.

Craig Eichstadt, Office of the Attorney General, explained that the Board has the authority to adopt rules to provide procedures for managing the items set out in SDCL 13-39-37, which grants the Board governance over the institutes, except in the areas of local administration and daily management functions.

Eichstadt noted that SDCL 13-39-37 (6) allows the Board to review and provide input on the institutes' budgets, and allows the Board to promulgate rules that would set out procedures, limits, and methods for considering the institutes' budgets. Eichstadt recommended that the board consider the promulgation of such rules. He added that the intent of SDCL 13-39-37 was to give the Board comprehensive control over the items set out in the law. Melmer voiced concern that any rules the Board decides to adopt that govern the

institutes might conflict with the rules of the local boards of education that also govern the institutes. Eichstadt stated that the Office of the Attorney General would assist the Board with interpreting the statute regarding any areas of concern.

Nicolay voiced concern about approving tuition increases for the institutes without rules in place that grant the Board governance over the institutes' budgets. Melmer responded that the Board should hold off on adopting rules regarding the institutes' budgets until a direction regarding the future governance of the institutes is determined. The board discussed governance issues and the need for rules, and how to move forward regarding these two issues before the next legislative session.

AGENDA ITEM 15.0 - REQUEST FOR APPROVAL OF THE NEW TUITION RATE INCREASE

Gross urged the board to make a decision about the tuition increase being proposed. Nicolay questioned the institutes' about why they were requesting only a \$5 increase; the Board felt that the institutes had justified the need for a tuition increase much higher than the requested \$5. Gross responded that the institutes have a responsibility to balance their request for increased funding with the amount of debt load placed on institute students.

Motion: Motion by Gowen and second by Fouberg to increase the tuition rate by \$5.

The Board and the institutes debated the amount of the requested increase. Gross stated that the institutes' long-term funding issues would not be resolved through tuition increases, but rather through state investments.

Gowen suggested that the \$5 increase be approved so the Board and the institutes could move on to addressing the issues of governance and long-term funding as soon as possible. Richter agreed with Gowen's suggestion.

Action: The motion carried.

AGENDA ITEM 25.0 – DATE AND TIME OF NEXT MEETING

Duncan stated that the next board meeting would be held on May 15-16, 2006 at Western Dakota Technical Institute in Rapid City. The board determined that the second day of the May meeting would be focused on touring and learning about WDTI.

I, Rick Melmer, Executive Officer of the South Dakota Board of Education, declare the foregoing to be a complete and true record of the minutes of the South Dakota Board of Education held on March 27, 2006.

Rick Melmer